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SUBJECT: MEDIA REACTION: WTO

11. Summary: Major Chinese-language Taiwan dailies focused their coverage December 20 on local political issues such as possible candidates for the DPP chairmanship; the suspension of Taitung County magistrate-elect for his alleged involvement in a corruption scandal; and KMT Chairman Ma Ying-jeou's meeting with Legislative Yuan (LY) President Wang Jin-pyng Monday to clear up confusion about whether Wang would be selected to head the cabinet. Coverage also focused on U.S. arms procurement and the treatment Taiwan protesters received outside the WTO ministerial meetings in Hong Kong.

With regard to U.S. arms procurement, the pro-independence "Liberty Times," Taiwan's biggest daily, ran a banner headline on its page six that quoted LY President Wang Jin-pyng as saying: "Ma Refuses to Talk with Bian [Chen Shui-bian]; Chances Remain Slim for [U.S.] Arms Procurement Bill to Pass." The centrist "China Times," however, said on its page four that "Under U.S. Pressure, the KMT Is Considering Passing [the Budget for] P-3C Anti-Submarine Aircraft." The pro-unification "United Daily News" ran an interview of a senior U.S. official page 13 with the headline "How Taiwan Should Allocate Its Arms Procurement Budget? U.S. Says: Not Appropriate to Interfere," and the sub-headline added: "Reports Saying that the United States Will No Longer Support [Taiwan's] Special [Arms Procurement] Budget Are 'Incorrect';" [U.S. Official] "Compliments" Bian's Remarks about Increasing [Taiwan's] Defense Budget to 3% of GDP."

12. In terms of editorials, a "China Times" editorial discussed a WTO interim deal reached Sunday in Hong Kong to end farm export subsidies by 2013 and future prospects for Taiwan's agriculture. The article challenged the Taiwan government to say "No" to the United States with regard to the WTO decisions on agriculture and urged Taiwan's private sector to stand up and ally with other Asian nations to fight against the WTO decisions. End summary.

"Will 2013 be the Sunset Year for Taiwan's Agriculture?"

The centrist, pro-status quo "China Times" [circulation: 400,000] commented in an editorial (12/20):

"The sixth WTO ministerial meeting reached a compromised agreement recently to end all farm export subsidies by 2013. Participants of the meeting also decided to work out a negotiation framework by April 30 2006 to set the tone for the 'Doha round' plan to reduce tariff barriers and subsidies concerning agricultural and industrial products.

"Taiwan's Council of Agriculture, after learning about the news, said the decision would not have any impact on Taiwan's agriculture as Taiwan does not provide farm export subsidies. The social activists in Taiwan, however, have a pessimistic view in general about the future of Taiwan's agriculture. The question is: is there no good prospect for Taiwan's agriculture? Not necessarily so. But the key [to this issue] lies in whether our government is bold enough to say 'No' to the United States. If yes, there are still many 'strategic cards' that the government could use. In a nutshell, ending all farm export subsidies is just one of the 'cards;' the real key lies in whether our government has a long-term and comprehensive plan for Taiwan's agricultural policy as a whole. .

"When it comes to the future of Taiwan's rural community, [it is evident that] the survival of the island's agricultural industry hinges on whether our government dares to follow the examples of the United States and Europe to implement other forms of subsidies other than farm export subsidies. Another [feasible] way is to use [people's] health and safety as reasons, like mainland China did, to stop bulk imports of U.S. agricultural products into Taiwan. But does the Taiwan government have the guts to do so? Without doubt, it has no guts.

"Thus, what Taiwan needs most is not the government's courage and wisdom, but the power of the private sector. Only when the private sector has enough power and its voice is loud enough to fight against the WTO [decisions] will our government stop to listen to it just for the sake of getting their votes. Then the government will have the guts to say

`No' to the United States. The private sector needs to realize that such a goal must not be altered by a change in Taiwan's ruling parties - a natural outcome especially when Taiwan relies heavily on the United States for its military security. As a result, the private sector must make its power lasting and its voice loud enough; or even, it could ally with other Asian nations to form a core of resistance in Asia to change the current trends. ."

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